

*Include advance
payment article in
signature contract.*

Letter Contract No. BC-200
Amendment No. 1

Hycon Manufacturing Company
Pasadena, California

Attention:



Vice President

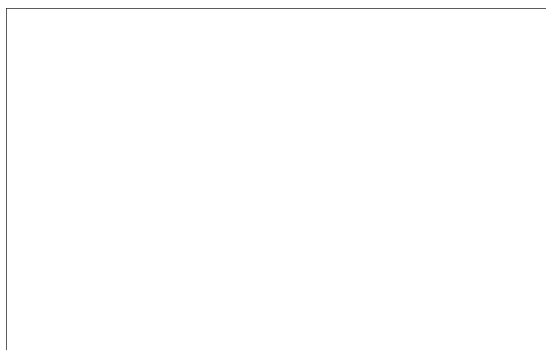
Gentlemen:

This letter constitutes Amendment No. 1 to Letter Contract No. BC-200 and amends said Letter Contract as hereinafter set forth:

Paragraph 7 is deleted in its entirety and the following paragraph 7 is substituted in lieu thereof:

"7. Progress payments will be made as the work progresses, upon the presentation of invoices showing the costs incurred and chargeable to this Letter Contract. Such invoices shall not be presented more frequently than once each month, unless more frequent presentation is approved by the Contracting Officer. Such progress payments shall be made to the extent of ninety percent of the amount of such invoices. The aggregate amount of progress payments made to you hereunder shall not exceed \$1,386,000. In addition to progress payments made hereunder, the Government agrees to make an advance payment hereunder of \$250,000. The terms and conditions in connection with such advance payment shall be in accordance with standard provisions as set forth in the Armed Services Procurement Regulations, as modified by security requirements of this contract. As a result of any progress or advance payments made to you hereunder, the title to all materials, parts, assemblies, subassemblies, supplies, equipment, and other property, theretofore or thereafter purchased, constructed, or otherwise acquired by you for the performance of this Letter Contract, shall automatically pass to and vest in the Government. Such passage and vesting of title shall neither impair any rights of the Government hereunder, nor relieve you of any of your obligations nor deprive you of any of your rights hereunder."

If you agree to the terms of this Amendment No. 1 to Letter Contract BC-200, please execute the original and two copies of this Letter Contract



- 2 -

and return the original and one copy to the undersigned. One copy may be retained in your files under such security conditions as the Government may impose. Copies of this Letter Contract will not be made without the Government's permission.

THE UNITED STATES OF AMERICA

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By

Authorized Contracting Officer

ACCEPTED FOR:
HYCON MANUFACTURING COMPANY
Pasadena, California

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By

Title VICE-PRES